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TAGS: [PGOV](#) [PREL](#) [EU](#) [GM](#)

SUBJECT: CHANCELLOR MERKEL'S SPEECH ON GOALS FOR EU
PRESIDENCY

REF: A) BERLIN 2893 B) BERLIN 1651 C) BERLIN 2782

1. (U) Summary. Chancellor Merkel spoke on September 22 at a Bertelsmann Foundation Conference on the future of Europe and highlighted five key goals for the EU as her government prepares to assume the EU presidency in the first half of 2007. First, the EU is committed to democracy, rule of law and human rights and these values will form the basis for dialogue with non-EU countries. Second, for the time being no new countries would be considered for membership, except for those that already have an EU "perspective" (Turkey and the Balkans) and all future members must fulfill all membership criteria completely. Third, the EU must seek reforms to further energize the European economy and internal market. Fourth, Europe, in collaboration with the U.S. and NATO, should continue to expand on its global engagement. Fifth, the chancellor hoped for ratification of the EU constitution by 2009, adding that it should have a provision for an EU Foreign Minister. End Summary.

EU Values

2. (U) Merkel began her speech by stating the EU is a community of values and should use these values (such as freedom, democracy, rule of law and respect for human rights) as a basis for conducting dialogue with non-EU countries, including inter-religious and intercultural dialogue. She specifically called for a EU-wide dialogue with Islam.

3. (U) Speech excerpts: "Europe must make its mind up about its values... We all share common values, such as freedom, democracy, rule of law and respect for human rights... We must discuss them with other countries that are not members of the European Union, and our relations must reflect these values. I believe that the significance of these values must be an important issue for the 50th anniversary of the Treaty of Rome. We will prepare a political declaration for the occasion... Regarding the question of values it is also important for the European Union to pursue an intercultural

and inter-religious dialogue. In Germany, Interior Minister Schaeuble has begun to pursue this dialogue with the Islam Conference (see Ref A). I think that the EU should make clear that it is also ready to begin such a dialogue. This is not easy for two reasons: Because we ourselves have problems agreeing on common grounds and because we lack knowledge of other cultures and religions."

EU Expansion

¶4. (U) Merkel acknowledged differences of opinion in the EU on expansion but suggested that for the foreseeable future no new members would be added outside the Balkans. Negotiations with Turkey would continue, but Turkey needs to fulfill all criteria especially in regard to the Cyprus issue. The EU needs a more active neighborhood policy in light of its inability to offer realistic prospects of membership for a long time in Eastern Europe. See Ref B for more details on this point.

¶5. (U) Speech excerpts: "My second point: Europe must clarify its inner and outer contours because Europe will not master the challenges of a rapidly changing world without a clear idea of its geographic extent...I believe it is right to say that we cannot make any more promises regarding new membership--with the exception of the Balkans. This is a tough statement because, with a view toward Ukraine, our Polish and Baltic neighbors might have different ideas. But I want to stand by this because I believe we must make sure that the countries in the EU are viable and compatible."

¶6. (U) Speech excerpts cont.: "For those who pursue entry negotiations, established criteria must be applied. One of the criteria is the ability of the current European Union to take on new members. That is how we understand the Copenhagen criteria. We are conducting entry negotiations with Turkey, but it is necessary to meet all of the criteria. I do not want to go into any details here, but the issue of Cyprus concerns us. This question must be resolved...It is all the more important that we develop a consistent policy toward our neighbors. We need a situation, a community, and commonness that goes beyond being merely a neighbor of EU members, but stops short of full membership..."

Economic Agenda

¶7. (U) The EU should strengthen the internal market and undertake other reforms to increase the dynamism of the European economy. See Ref C for more detail on Germany's economic agenda.

¶8. (U) Speech excerpts: "A dynamic economy is also a precondition for the future of the European Union...Because of the EU we are better off, and the complete implementation of the common market is therefore a key issue...We all moan and groan from time to time when the properties and rights we have become accustomed to and we believe are integral are touched, but I believe there is no alternative to completing the common market...We need a more dynamic and, therefore, liberalizing approach in energy, postal services, telecommunications, financial services...The third point that is important to me during our presidency is that we emphasize, apart from better regulation and a reduction of bureaucracy, the topics of research and development..."

U.S.-EU Relations

¶9. (SBU) Europe should continue to increase its global engagement, but do so in close cooperation with the U.S. and NATO.

¶10. (U) Speech excerpts: "My fourth point is that we will only be able to influence globalization if we bring our common influence to bear. That means that we have to be strong, consistent, and creative at international negotiations, such as the Doha Round and Kyoto...In addition, it is about a common security and defense policy. It must be said that this security and defense policy - this is very

important to me - must not be directed against the transatlantic partnership. Neither must it come to a conflicting situation with NATO. However, over the next few years, Europe will be increasingly in demand concerning tasks in foreign, security, and defense policies...The military component of UNIFIL requires a political engagement because the people of Europe will otherwise ask us what we do. We must therefore, together with our American partner, be creative and resolve the individual conflicts with great commitment..."

EU Constitution

¶11. (U) The EU should agree on something akin to a constitution by 2009 that would include a provision for an EU Foreign Minister. Officials at the Ministry of Foreign Affairs indicate that Merkel will seek to enhance the idea of an EU Foreign Minister by having High Representative for CFSP Javier Solana chair some of the troika meetings focused on EU relations with third countries during the German presidency.

¶12. (U) Speech excerpts: "The fifth point is that Europe needs a future structure in from of a (constitutional) treaty... By 2009, we must have made the decision (about the constitution)... However, the German (EU) presidency must develop the timeframe for the structure... At the end of our presidency we will present a plan, a concept. Given a number of upcoming elections, this will not be possible before the end of our presidency...This includes, above all, the creation of the office of a European Union foreign minister."
TIMKEN JR